

Directive No. 15

**UNAUTHORIZED ALIEN INSURERS  
[THE NEW CAYMAN ISLAND INSURANCE GROUP  
ALSO KNOWN AS "INSURGROUP"]**

March 27, 1973

This complex of Nine Cayman Island based "exempted" insurance corporations in solicitation material offers not only about every hard to place insurance cover, but as well offers use of nine insurers for "Fronting Purposes" and also offers to "manage" captive insurers writing every line of insurance in the United States.

A reading of the following titles of insurers in the group will show that care has been taken to almost parallel the titles of United States domiciled insurers having similar names and is obviously designed to confuse insurance buyers.

The names of these believed "paper" insurers are as follows:

American International Casualty & Surety Co., Ltd.

Aviation Insurors of the World, Ltd.

Fidelity Bonding & Insurance Company, Ltd.

Inter-American Life Insurance Company, Ltd.

Monumental Accident & Health Insurance Co., Ltd.

National Fire Insurance & Indemnity Company, Ltd.

Seven Seas Marine and Health Company, Ltd.

Transworld Marine & Casualty Company, Ltd.

World Wide Insurance Company, Ltd.

As you are aware, Act 238 of 1972 specifically limited the placement of marine and related coverages in the unauthorized or surplus line market to licensed resident Louisiana surplus line brokers pursuant to the intent of Act 185 of 1970 (R.S. 22:1269) and the prohibitions contained in R.S. 22:1176 against agents and brokers (other than surplus line brokers) acting for an unauthorized alien or foreign insurer.

## LOUISIANA INSURANCE REGULATIONS

The onus is on each licensed resident Louisiana surplus line broker to determine that each unauthorized alien or foreign insurer has complied with the provisions of R.S. 22:1262, as amended by Act 239 of 1972. Alien insurers are required to procure listing with the Non-Admitted Insurers Information Office, NAIC, 67 Wall Street, New York, New York 10005, and make a certified copy of Trust Agreement for protection of United States policyholders available to the Louisiana Insurance Department.

Upon receipt of this directive, the contents should be made available to your underwriting departments to further assist unsuspecting Louisiana insurance buyers who may receive such mail solicitations.

This directive does not and is not intended to relieve any surplus line broker from the duty of continuing to satisfy himself or itself that each unauthorized insurer meets the financial requirements of R.S. 22:1262.

Sherman A. Bernard  
COMMISSIONER OF INSURANCE